



CONNECTING WITH  
OUR  
COMMUNITIES.



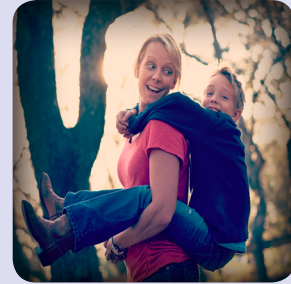
2018  
FIRST QUARTER  
REPORT



Central Bank & Trust Co.  
Central Insurance Services  
Central Investment Center, Inc.

# HELPING TO KEEP OUR COMMUNITIES STRONG.

## GOD'S PANTRY



Those who run the risk of going hungry in our very own communities demand the utmost attention. And we do our part to provide that attention and service through our partnership with God's Pantry. Since 2007 Central Bank has been a sponsor of the Taste of the Bluegrass event, God's Pantry's annual fundraiser that raises thousands of dollars to help feed those in need in Central and Eastern Kentucky.

## MISSION STATEMENT

The mission of Central Bancshares is to become Kentucky's leading, high-performing, community banking company by empowering our staff to deliver consistently superior service and value to our customers, shareholders and communities. We will be successful because Central Bankers are our greatest resource and our most sustainable advantage.

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For additional copies or  
INFORMATION

MARKETING  
CENTRAL BANK  
300 West Vine Street  
Lexington, KY 40507

# FINANCIAL HIGHLIGHTS

For three months ended March 31

	2018	2017	2016	2015	2014
<b>RESULTS OF OPERATIONS:</b>					
Net income	\$ 6,846,100	\$ 4,243,627	\$ 4,798,133	\$ 4,461,947	\$ 3,167,389
Net income per share	19.68	12.20	13.79	12.82	9.10
Cash dividends per share	0.00	0.00	0.00	0.00	0.00
Book value per share at quarter end	752.28	695.59	650.70	603.49	563.60
<b>AT MARCH 31:</b>					
Assets	\$2,487,296,281	\$2,300,841,767	\$2,198,589,426	\$2,136,759,954	\$2,111,065,113
Earning assets	2,382,991,373	2,190,550,605	2,092,404,366	2,022,149,616	1,976,689,453
Net loans	1,990,489,307	1,808,356,232	1,659,512,134	1,601,744,965	1,599,105,435
Deposits	2,045,576,944	1,919,872,406	1,819,033,158	1,802,625,810	1,795,252,403
Shareholders' equity	261,736,139	242,010,535	226,391,649	209,966,967	196,088,556
<b>PERFORMANCE RATIOS:</b>					
Return on average assets	1.14%	0.75%	0.89%	0.85%	0.62%
Return on average shareholders' equity	10.73%	7.16%	8.59%	8.63%	6.58%
Average tangible equity					
to average assets	10.10%	9.97%	9.74%	9.17%	8.78%
Net charge-offs to average loans	0.01%	0.03%	0.01%	0.00%	0.12%
Allowance for loan losses as a					
percentage of quarter end loans	1.04%	1.16%	1.28%	1.42%	1.46%
Net interest margin (tax equivalent)	3.99%	3.87%	3.73%	3.75%	3.81%

## CONSOLIDATED BALANCE SHEETS

	March 31 2018	March 31 2017
<b>ASSETS</b>		
Cash and due from banks	\$ 56,370,709	\$ 49,570,040
Federal funds sold	145,200,000	81,600,000
Total cash and cash equivalents	<u>201,570,709</u>	<u>131,170,040</u>
Securities	220,443,107	273,485,134
Loans, net of unearned income	2,011,434,210	1,829,498,788
Allowance for loan losses	(20,944,903)	(21,142,556)
Loans, net	<u>1,990,489,307</u>	<u>1,808,356,232</u>
Premises and equipment, net	31,564,294	33,380,113
Federal Home Loan Bank stock	6,751,100	6,751,100
Intangible assets	14,313,393	14,313,393
Prepaid expenses and other assets	22,164,371	33,385,755
<b>Total assets</b>	<u>\$ 2,487,296,281</u>	<u>\$ 2,300,841,767</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Deposits:		
Non-interest bearing	\$ 684,429,084	\$ 626,602,791
Interest bearing	1,361,147,860	1,293,269,615
Total deposits	<u>2,045,576,944</u>	<u>1,919,872,406</u>
Customer sweep accounts	117,578,258	102,827,481
Federal funds purchased	500,000	500,000
Federal Home Loan Bank advances	25,435,131	558,381
Long term debt payable	15,000,000	15,000,000
Other liabilities	21,469,809	20,072,964
Total liabilities	<u>2,225,560,142</u>	<u>2,058,831,232</u>
<b>SHAREHOLDERS' EQUITY</b>		
Common stock, par value, \$10 a share;		
350,000 shares authorized, 347,922 shares outstanding	3,479,220	3,479,220
Additional paid-in capital	6,890,468	6,890,468
Retained earnings	257,430,790	237,801,954
Accumulated other comprehensive income (loss)	(6,064,339)	(6,161,107)
Total shareholders' equity	<u>261,736,139</u>	<u>242,010,535</u>
<b>Total liabilities and shareholders' equity</b>	<u>\$ 2,487,296,281</u>	<u>\$ 2,300,841,767</u>

## CONSOLIDATED STATEMENTS OF INCOME

	For three months ended	
	March 31 2018	March 31 2017
<b>INTEREST INCOME</b>		
Interest and fees on loans	\$ 23,093,885	\$ 20,460,198
Interest on securities	1,218,666	1,113,909
Interest on short term investments	428,129	176,675
	<u>24,740,680</u>	<u>21,750,782</u>
<b>INTEREST EXPENSE</b>		
Interest on deposits	1,700,528	1,026,530
Interest on borrowed funds	334,490	202,431
	<u>2,035,018</u>	<u>1,228,961</u>
Net interest income	22,705,662	20,521,821
Provision for loan losses	714,501	1,131,000
Net interest income after provision for loan losses	<u>21,991,161</u>	<u>19,390,821</u>
<b>OTHER INCOME</b>		
Service charges on deposit accounts	1,843,779	1,937,198
Service charges on loans	2,365,279	2,250,395
Wealth management income	3,857,470	3,473,796
Other income	1,591,038	1,448,255
	<u>9,657,566</u>	<u>9,109,644</u>
<b>OTHER EXPENSES</b>		
Salaries	9,737,358	9,372,306
Benefits	2,486,085	2,308,097
Occupancy	4,602,719	4,495,254
Other non-interest expenses	6,758,104	6,894,859
	<u>23,584,266</u>	<u>23,070,516</u>
Income before provision for income taxes	8,064,461	5,429,949
Provision for income taxes	1,218,361	1,186,322
<b>Net income</b>	<u>\$ 6,846,100</u>	<u>\$ 4,243,627</u>
<b>Basic earnings per share</b>	\$ 19.68	\$ 12.20

# BOARDS OF DIRECTORS



*Luther Deaton, Jr.*  
Luther Deaton, Jr.  
Chairman, President & CEO

## Central Bancshares, Inc. and Central Bank & Trust Co. Board of Directors

**Luther Deaton, Jr.**  
Chairman, President & CEO, Central Bancshares, Inc. and Central Bank & Trust Co.

**Joan D. Kincaid**  
Vice Chairman of the Board, Central Bancshares, Inc. and Central Bank & Trust Co.

**Michael D. Foley**  
Partner  
Ray, Foley, Hensley & Company, PLLC Certified Public Accountants

**Wilbert W. James, Jr.**  
Retired, Toyota Motor Manufacturing, Kentucky, Inc.

**Wayne M. Martin**  
VP of Development, Retail Division, Booth Energy

**Nick Nicholson**  
Retired, Keeneland Association, Inc.

**G. Michael Ritchie**  
Executive Vice President, Quantum Spatial, Inc.

**Paul E. Sullivan**  
Partner, Frost Brown Todd, LLC

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Retired Superintendent, Scott County Board of Education

**Mason "Butch" Glass**  
Community Volunteer

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CEO, Georgetown Community Hospital

**George H. Lusby**  
Scott County Judge Executive

**Kimberly E. Marshall**  
Market President

**Randy Mason**  
Owner-Operator, McDonald's

**W. Thomas Prather**  
Chairman, Central Bank, Georgetown & Mayor of Georgetown

### Central Bank, Lexington Advisory Board of Directors

**Dennis Anderson**  
President, Anderson Properties

**Ray Ball**  
Owner, Ball Homes

**Jeremy Bates**  
President, Bates Security

**Anthony Beatty**  
U.K. Campus Services & Public Safety

**Crinda Francke**  
President, ExecuTrain of Kentucky

**Linda Griffin**  
President, High Bridge Spring Water

**Joseph L. Grossman**  
President & CEO, Appalachian Regional Healthcare, Inc.

**Pat Hayden**  
Retired, Rector Hayden Real Estate

**Steve Heller**  
Co-owner, Atchison Heller Construction

**Dr. John Hobbs**  
Central Internal Medicine

**Glenn Hoskins**  
Lexington Building Supply

**Dave Houchin**  
President, Intech Contracting, LLC

**Debbie Long**  
Owner, Dudley's on Short

**Judge Mary Noble**  
Retired Judge, Kentucky Supreme Court

**Bruce Pieratt**  
Owner, Pieratt's

**Bill Quigg**  
President, Richmond Baking Company

**Ed Quinn**  
President & CEO, R.J. Corman Railroad Company

**Dr. Marcus Randall**  
President, Kentucky Medical Services Foundation

**Nick Rowe**  
President, Kentucky American Water Co.

**Kenny Schomp**  
President & Owner, Lexington Truck Sales, Inc.

**Steve S.J. Sherman**  
Sherman Carter Barnhart Architects

**Nick Strong**  
President, Old Colony Insurance

**Bill Thomason**  
President, Keeneland Association

**Greg White, DDS**  
White, Greer and Maggard Orthodontists

**Brian Wood**  
Founder & CEO, BC Wood Properties, Inc.

## Central Bank, Louisville Advisory Board of Directors

**Jonathan S. Blue**  
Chairman, Blue Equity, LLC

**Ronald L. Carmicle**  
Owner, PLC Management

**Marcia Cassidy**  
Director, Capital Link Consultants

**Michael D. Foley**  
Partner  
Ray, Foley, Hensley & Company, PLLC Certified Public Accountants

**William P. Malone**  
Retired, Deming, Malone, Livesay & Ostroff

**William E. Summers, IV**  
Retired, Deputy Mayor, Louisville Metro Government

# BOARDS OF DIRECTORS

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Owner & CEO, Transform  
Business Solutions, LLC &  
President & CEO, Delta Dental

## Mark Wheeler

Market President

## Central Bank, Madison County Advisory Board of Directors

## Dianna Ackerman

Broker/Owner, ERA Professional  
Hometown Services

## Frankie C. Blevins, Jr.

Attorney, Blevins Law, LLC

## Robert R. Blythe

EKU Professor  
Pastor, First Baptist Church

## James R. Carr

Builder and Developer

## Shannon Combs

Partner, Combs, Parsons and  
Collins Funeral Home

## Jeff Fultz

Market President

## James Ernest Hillard

Owner, Middletown Industrial

## Mike Rice

Owner, Cars of Kentucky, Inc.

## Rita H. Smart

Owner, The Bennett House

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Central Bancshares, Inc.

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Owner, Zaxby's

## Michael D. Foley

Partner  
Ray, Foley, Hensley & Company,  
PLLC Certified Public Accountants

## Ben A. Rainwater

Tutt Construction

## Paul E. Sullivan

Partner, Frost Brown Todd, LLC

## Benjamin G. Taylor

Taylor Made Farm & Sales  
Agency, Inc.

## Alan S. VanArsdall

Market President

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Managing Member  
Reading Investments, LLC

## Adam Bortz

CEO, Towne Properties

## Tonya Burns-Gerakos

Tonya Burns Law

## Chris Carle

Senior Vice President & COO, St.  
Elizabeth Healthcare, Florence

## Wayne Carlisle

President & CEO  
Carlisle Enterprises

## Helen Carroll

Retired

## David Heidrich

CEO, Zalla Companies

## Doug Ridenour

President, Federal  
Equipment

## Greg Schrand

President, GSE, Inc.

## Gregory Shumate

Member, Frost Brown Todd, LLC

## James Uebel

Market President

## Paul Verst

President & CEO, Verst Group  
Logistics, Inc., and Zenith Logistics

## John Yeager

Owner, Ashley Development

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Director of Operations  
McDonald's

## Glenn Leveridge

Market President

## Rex McCrary, D.M.D.

Dentist

## Jeff Monohan

President  
The Allen Company

## Ralph J. Palmer

President, Palmer  
Engineering Co.

## Patricia M. Smith

President, MD Consulting, Inc.

## Robert Strode

Retired

## Mary Jane Warner

Manager of Power Delivery, East  
Kentucky Power Cooperative, Inc.

# OFFICERS

## Central Bancshares, Inc.

Luther Deaton, Jr.  
Chairman, President &  
CEO

Joan D. Kincaid  
Vice Chairman

Susan L. Simmons  
Vice President

Ranee Leland  
Vice President &  
Corporate Secretary

Edward Barnes  
Treasurer

## Central Bank, Lexington

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Luther Deaton, Jr.  
Chairman, President &  
CEO

Ranee Leland  
Vice President &  
Corporate Secretary

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Executive Vice President

Lisa S. Grant, CRCM  
Vice President &  
Compliance Officer

Donna J. Craven, CRCM  
Vice President

Danny C. Noland  
Vice President

John T. Miner, Jr.  
Auditing Officer

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Executive Vice President

### Corporate Services

Karen Rowland, CTP  
Senior Vice President

Joan Patterson, CTP  
Vice President

Lisa K. Vickers  
Vice President

Chris Campbell  
Assistant Vice President

Allison Carter  
Assistant Vice President

Ashley N. Rodgers  
Assistant Vice President

### Credit Administration

Jason A. Smith  
Senior Vice President

Samuel Collins  
Assistant Vice President

Matt Murphy  
Credit Administration  
Officer

### Loan Review

Marie A. Young  
Vice President

David Chrisman  
Senior Vice President

D. Keith Preston  
Vice President

Leigh M. Carr  
Assistant Vice President

LeeAnn Layne  
Assistant Vice President

### Loan Processing

Donna M. Turner  
Vice President

### Special Assets

Ellen Sharp  
Senior Vice President

Steve Hall  
Vice President

Julie Szymanski  
Vice President

Becky Mullins  
Special Assets Officer

### Commercial Lending

Mark R. Fox  
Vice President

Stephen J. Mallory  
Vice President

David Ross  
Vice President

Jake Schirmer  
Vice President

Shane Anderson  
Assistant Vice President

### Consumer Lending

Jerry F. Smalley  
Vice President

### Real Estate Lending

Paul R. Thornsberry  
Senior Vice President

Megan Barlow  
Vice President

Paul B. Drake  
Vice President

Gary Loucks  
Vice President

Jordan Owens  
Vice President

### Small Business

Ernest W. Dolihite  
Senior Vice President

Richard D. Hartley  
Vice President

Jeff Murphy  
Vice President

Terri A. Stein  
Vice President

### Central Bank Mortgage

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Senior Vice President

Susan Bradley  
Vice President

Tom Breathitt  
Vice President

Brad Fields  
Vice President

Catherine Himes  
Vice President

Lorraine Kinley  
Vice President

Brian W. West  
Vice President

Vina Risner  
Assistant Vice President

Rebecca Haddix  
Mortgage Underwriter  
Manager

Lisa Hart  
Secondary Mortgage  
Underwriter

### HUMAN RESOURCES

Susan Simmons  
Executive Vice President

Amy Manning  
Senior Vice President

Shelia Plymale  
Senior Vice President

June Carpenter  
Assistant Vice President

### TECHNOLOGY SERVICES

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Executive Vice President

Anna Clayton  
Senior Vice President

Kevin J. Lippert  
Senior Vice President

E. Sean Proffit  
Vice President

David Hake  
Information Security  
Officer

Jason Hollis  
Infrastructure Officer

### RETAIL BANKING

Gregory M. Shewmaker  
Executive Vice President

Michael Gartner  
Senior Vice President

Matthew S. Ratliff  
Vice President

Chris McGaughey  
CRA Community  
Development Officer

### Banking Centers

Gina Ensminger  
Assistant Vice President

Angela M. Friesz  
Assistant Vice President



# OFFICERS

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*Assistant Vice President*

Philip Rochester  
*Assistant Vice President*

Lana Alexander  
*Retail Banking Officer*

Jeffrey Benton  
*Retail Banking Officer*

Sharon Bradley  
*Retail Banking Officer*

Sheila Carmack  
*Retail Banking Officer*

Barbara Johnson  
*Retail Banking Officer*

Laura M. Owens  
*Retail Banking Officer*

Alexandra T. Wolf  
*Retail Banking Officer*

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*Senior Vice President*

Diane Gentry  
*Client Services Officer*

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*Executive Vice President &  
Chief Financial Officer*

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*Senior Vice President*

Lisa A. Williamson  
*Assistant Vice President*

Mark Kendall  
*Financial Planning Officer*

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*Executive Vice President*

Beth Lakes Robinson  
*Vice President*

## Funds Management

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*Assistant Vice President*

## MARKETING

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*Executive Vice President*

Lesley K. Catron  
*Marketing Officer*

## Correspondent Banking

Doug Flynn  
*Correspondent Banking  
Officer*

## OPERATIONS AND SUPPORT

### Operations

Laura Schweitzer  
*Executive Vice President*

Karen G. Crawley  
*Senior Vice President*

Robin Michul  
*Senior Vice President*

Harvey Sword  
*Vice President*

## Internet Banking

Brenda P. Oaks  
*Assistant Vice President*

## Card Services

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*Assistant Vice President*

## Loan Services

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Shawn Presnell  
*Vice President*

## Deposit Services

Lisa Durham  
*Vice President*

Bruce McHone  
*Deposit Services Officer*

## Bank Security

Shane Enslinger  
*Vice President & Director  
of Security*

Angela D. Campbell  
*BSA/AML & Operations  
Officer*

Alan Stewart  
*Security Officer*

## WEALTH MANAGEMENT

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*Executive Vice President*

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*Vice President*

## Employee Benefits

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*Vice President*

Sheila C. Parks  
*Vice President*

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*Assistant Vice President*

Gayle Dockery  
*Assistant Vice President*

Leigh Ann Young  
*Trust Officer*

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*Senior Vice President*

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*Vice President*

Matthew Frank, CFP®  
*Assistant Vice President*

Anna Hovekamp  
*Assistant Vice President*

Lauren Lovely  
*Trust Officer*

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Thomas Corr  
*Vice President*

R. Scott King  
*Vice President*

Chris Taylor  
*Trust Officer*

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*Executive Vice President*

Rita L. Bugg  
*Vice President*

Leslie Fannin  
*Vice President*

Alicia Jordan  
*Vice President*

Mark Ruddell  
*Vice President*

Christopher Thomason  
*Vice President*

## Central Insurance Services

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*President*

Tom Francis  
*Vice President*

Rob Wessel  
*Vice President*

Justin Whipple  
*Vice President*

Steven P. Wright  
*Vice President*

Don Yaden  
*Vice President*

Andrew Alexander  
*Commercial Insurance  
Officer*

## Central Investment Center, Inc.

Jeff Ginnan  
*Executive Vice President &  
Senior Financial Advisor*

Jeff Fields, CRPS®  
*Vice President &  
Financial Advisor*

Tony Brown  
*Financial Advisor*

Ballard "Cash" Cassidy  
*Financial Advisor*

Deborah Fisher  
*Financial Advisor*

Jacobus M. Ockers  
*Financial Advisor*

Thomas E. Roberts, CFP®  
*Financial Advisor*

# OFFICERS

Jennifer Wilson  
*Financial Advisor*

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*Market President*

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*Vice President*

Patricia Voigt  
*Vice President*

Jennifer Phillips  
*Assistant Vice President*

## Mortgage Lending

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*Vice President*

## Central Bank, Louisville

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*Market President*

Amy Sullivan  
*Senior Vice President & Senior  
Market Lender*

Joan Strafer  
*Vice President*

Cyndi Caldwell Whitmer  
*Vice President*

## Mortgage Lending

Jeanie Gammon  
*Vice President*

## Retail Banking

Edman Cundiff  
*Vice President*

Elaine Fawbush  
*Assistant Vice President*

Lisa K. Kelly  
*Assistant Vice President*

Tanner Greenwell  
*Retail Banking Officer*

## Private Banking

Robert Slider  
*Senior Vice President*

Mary Littrell  
*Vice President*

Jim Morris  
*Vice President*

M. Trish Osborn  
*Vice President*

## Wealth Management

Bill Kaiser  
*Vice President*

## Central Bank, Madison County

Jeff Fultz  
*Market President*

Cameron Abney  
*Senior Vice President &  
Senior Market Lender*

Scott Johnson  
*Vice President*

Ken Riley  
*Vice President*

## Mortgage Lending

Donna Haney  
*Vice President*

## Central Bank, Nicholasville

Alan S. VanArsdall  
*Market President*

Cathy Lowe  
*Vice President*

Jill Slone  
*Assistant Vice President*

Kathy Moore  
*Retail Banking Officer*

Brandy Osborne  
*Commercial Lending Officer*

Adam Rodgers  
*Commercial Lending Officer*

## Mortgage Lending

Marcus P. Hanks  
*Vice President*

Monna Treadway  
*Vice President*

## Central Bank, Northern Kentucky

James Uebel  
*Market President*

Brett Blackwell  
*Senior Vice President &  
Senior Market Lender*

Donald Benzinger  
*Vice President*

Matthew E. Eilers  
*Vice President*

Karen J. Homan  
*Vice President*

JB Schmidt  
*Commercial Lending Officer*

## Mortgage Lending

Dennis Barnes  
*Vice President*

## Retail Banking

Steven Gillespie  
*Vice President*

Amy Roberts  
*Vice President*

Jeffrey Wagner  
*Vice President*

Diana Webster  
*Vice President*

## Private Banking

John Finley  
*Senior Vice President*

Karen Hartig  
*Vice President*

Larry Luebbers  
*Vice President*

## Central Bank, Winchester

Glenn Leveridge  
*Market President*

Tim M. Duncan  
*Senior Vice President*

Tammy M. Carroll  
*Vice President*

Lisa T. Earlywine  
*Vice President*

Deborah R. Banks  
*Retail Banking Officer*

Crystal Hunt  
*Retail Banking Officer*

Erica Parks  
*Commercial Lending Officer*

## Mortgage Lending

Lee Coleman  
*Vice President*

Amy Turner  
*Vice President*

# NOTES

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[centralbank.com](http://centralbank.com)

(859) 253-6222

(800) 637-6884

Central Bank & Trust Co. is a wholly owned subsidiary of Central Bancshares, Inc.



EQUAL HOUSING

**LENDER**

Member FDIC